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**Challenges and Opportunities of using an Experience Management
Platform in SMEs**

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Abstract

More than half of all U.S. customers state that customer experience in organization needs improvement. This is a tremendous experience gap which experience management software attempt to close. This paper aims to give an overview of Experience Management in managerial literature and introduces the Experience Management platform “Qualtrics” with its four pillars brand, product, customer and employee. The findings of this paper suggest that there is little existing knowledge of Experience Management in SMEs. Therefore, the paper analyzes the challenges and opportunities of applying Experience Management software in SMEs. The study reveals that XM platforms significantly help small businesses to collect experience data inside and outside the organization.

Keywords

Experience Management

Qualtrics

SME

SaaS survey tool

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Agenda

1.	Introduction.....	4
2.	Literature review.....	5
2.1	The term “experience” in managerial Literature	5
2.2	Experience Management	7
2.3	Experience Management platform	8
2.4	Small- and Medium-Sized Enterprises.....	11
3	Methodology	12
3.1	Sample of the study.....	12
3.2	Structure of the study	12
4	Results	13
4.1	Lack of knowledge of XM platforms in SMEs	13
4.2	Current practice of survey tools in SMEs	14
4.3	Opportunities of using XM	16
4.4	Challenges of using XM	19
5	Discussion	23
5.1	Implications for theory.....	23
5.2	Limitations of the study.....	24
6	Conclusion	25
7	References.....	26
8	Appendices	28

List of Figures

Figure 1 - The Four Realms of an Experience (Own Representation based on Pine II and Gilmore (1998).....	6
Figure 2 - The fundamental link between all aspects of experience (Ryder, 2007).....	9
Figure 3 - SME thresholds (European Commission, 2005)	11
Figure 4 - Summarized Representation Opportunities & Challenges	16

List of Abbreviations

SME	–	Small and medium sized enterprises
XM	–	Experience Management
X-data	–	Experience data
O-data	–	Operational data
SMB	–	Small and medium-sized business
MSME	–	Micro, small and medium-sized enterprises
Mio	–	Million
EU	–	European Union
SaaS	–	Service-as-a-Software
AI	–	Artificial Intelligence
CX	–	Customer Experience
CRM	–	Customer Relationship Management
R1 – 10	–	Respondent 1 - 10

1. Introduction

“People do not care how much you know until they know how much you care.” With his statement the former president of the United States Teddy Roosevelt already recognized the importance of XM more than a century ago. In fact, when customers feel appreciated, enterprises can obtain measurable economic benefits such as premium prices and an increased customer loyalty (Clarke and Kinghorn, 2018). According to the research of Temkin (2009), increased customer experience positively effects the reduction in churn, additional purchases and word of mouth which in turn impacts the bottom-line profitability significantly. Even though most companies already consider themselves as user-centric, more than 54% of consumers in the US state that customer experience needs improvement (Clarke and Kinghorn, 2018). This tremendous experience gap can only be closed if companies go far beyond discovering what customers want by understanding why they want it (Kilian et al., 2015). XM software tools are trying to close this gap by collecting experience data (X-data) of various stakeholders in order to identify opportunities to improve their experience with the company.

Experience Management has gained increasing importance since the turn of the millennium which becomes evident in the amount of major global brands using XM platforms to deliver more personalized experiences. However, especially small and medium-sized enterprises (SME) have not recognized the strategic relevance of XM for their company, yet (Qualtrics, 2019). SMEs thereby run the risk of losing a considerable part of their customer base, as today 32% of customers would stop buying a brand after only one bad experience (Clarke and Kinghorn, 2018). The aim of the following paper therefore is to first, investigate the reasons for the lack of awareness and knowledge of XM among SMEs. Secondly, the paper aims on exploring the challenges and opportunities of applying XM platforms in SMEs.

In order to obtain a better understanding of XM, in section two a literature review will be conducted to define the scope of the research paper. Furthermore, the XM platform Qualtrics

will be introduced. In section three the methodology used to analyze the potential of XM in SMEs will be defined. The results of the research and the discussion will be outlined in section four and five. Lastly a conclusion will be drawn in section six.

2. Literature review

2.1 The term “experience” in managerial literature

With the publication of „Welcome to the Experience Economy“, Pine II and Gilmore (1998) heralded the new „experience economy“ era. They suggested that the „experience economy“ comes after the development of agrarian, industrial and service economy. According to the authors, an experience is formed when companies are using services as the „stage“ in order to create memorable events. It is distinguished between goods which are described as tangible, services as intangible and experiences as memorable. This description is confirmed by Schulze (1993), who depicts a shift of needs from functional goods to goods which deliver an individual memorable experience. However, Berry et al. (2002) contend that experience needs to be divided into two dimensions, “functionality” is interpreted logically, and “emotions” which comprises tastes, sounds, environment, texture of the service and sights. It is the composition of both dimensions that creates an overall experience. Schneider (2009) provides a different division of experience in which he suggests that an experience must be divided into three chronological components, the observation, sensation and conclusion.

Pine II and Gilmore (1998) divide experience which is created inimitably within the mind of each individual based on two dimensions „customer participation“ and „connection“ leading to the following four categories (see Figure 1).

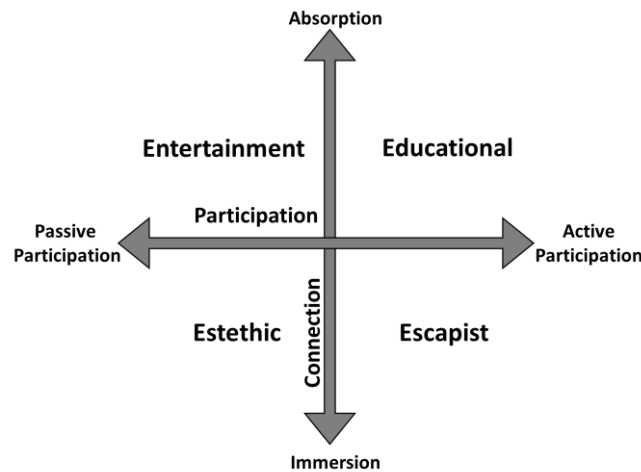


Figure 1 - The Four Realms of an Experience (Own Representation based on Pine II and Gilmore (1998))

Throughout the four categories Pine II and Gilmore (1998) suggest that it is crucial to theme the experience concisely and create positive impressions to support the theme and eliminate the negative and inappropriate ones.

Schmitt (1999) defines experience as personal events that arise in response to stimulation and involve the entire being as a result of observing or participating in an event. He concludes that experience is always influenced by the environment, customers character, employees and the nature of the task. In knowledge management an experience is defined as a specific knowledge which was acquired by an agent in a problem-solving situation (Bergmann, 2002).

More recent studies define experience as a scripted interaction between customers and the company which is shaped by the characteristics of customer, company and brand and the context of the interaction (Tynan and McKechnie, 2009). In order to draw a clear demarcation between experience and services, Johnston and Kong (2011) defined a service as the activity or process of treating the customer while experience is defined as the individual interpretation of the service and each touchpoint.

Taking into consideration the various definitions provided experience is defined as follows: Experience is created inimitably within the mind of each individual by direct or indirect

interactions between several actors, organization, individuals or brand and is influenced by the environment and its context.

2.2 Experience Management

As outlined in section 2.1 individuals are not only inert purchasers but always a co-creator of a companies offering. Therefore, the strategical management of an individual's total experience with an organization has become increasingly significant (Schmitt, 1999).

In the literature, experience Management is often referred to as a subfield of knowledge management (Nick et al., 2002). Knowledge Management, which has a broader scope than XM, focuses on maximizing the returns from its knowledge assets by identifying, building, renewing, sharing and applying general knowledge (Wiig, 1997). It therefore focuses on creating value from a company's knowledge (Abecker et al., 1998).

By comparison, XM focuses on managing experiences which is a particular type of knowledge obtained in a concrete problem-solving situation. Hence, it does not require a logical representation and contextualization, making it easier to be captured, selected and shared (Bergmann, 1998).

In the research of Berry et al. (2002) XM is defined as the orchestration of positive and negative impression which are referred to as "experience clues": experience clues are everything that can be sensed, perceived or recognized, ranging from the product itself to the gesture of an employee. In order to meet or exceed the needs of an individual, it is decisive for a company to provide the appropriate set of "experience clues". In this regard, Pencarelli and Forlani (2018) support the definition arguing that XM focuses on understanding the experience sought by the individual and providing solutions in order to meet their needs and seize opportunities for improvement. Apart from this, Thompson and Kolsky (2004) argue that XM aims to exceed

customers' expectations by the process of designing and reacting to a specific interaction. They claim that hereby the overall customer advocacy, loyalty and satisfaction can be improved.

By combining the previous definition of experience (section 2.1) and XM, the following definition is derived: XM is defined as the understanding of the direct or indirect interactions between several actors with the aim to meet or exceed the demands of an individual.

2.3 Experience Management platform

Experience management platforms focus on meeting those previously described demands of individuals by automating the measurement of experience across the entire company. As new technologies appear on the market, the willingness and creativity of individuals on engaging with companies is steadily rising (Ramaswamy and Gouillart, 2010). Hence, it is the aim of XM platforms to focus on measuring an individual's experience across all digital and non-digital platforms (Cooper, 2017). As a result, XM platforms offer device management to ensure reaching individuals on the right channel. It enables the creation of well-designed questionnaires without the need of writing a script, since one can choose from vast selection of predefined templates (Lange et al., 2015). Furthermore, XM platforms include an analytic tool to make instant, actionable analysis and gain insights from the collected data by using Artificial Intelligence in order to interlink data (Cooper, 2017). An XM platform aggregates the response from various engagement channels and is a software-as-a-service (SaaS) platform which often offers an integrated database to store your acquired data (Carey, 2018). Lange et al., (2015) point out that these integrated databases can clash with the legal provision of companies because data is stored on external servers.

There are many providers of XM platforms which slightly differ in their feature and software solutions, namely Antlre, Medallia, Qualtrics, Customer Gauge and Promoter to just mention the most common ones. In this paper, the XM platform Qualtrics was selected because it lately

gained considerable attention through the acquisition by the German software giant SAP (Carey, 2018).

Unlike other XM platforms, Qualtrics has opted to focus on the four key aspects customer-, product-, employee- and brand-experience (Qualtrics, 2019). When comparing this division to the managerial literature in experience management of Ryder (2007), it becomes evident that he divided experience in the three core areas, namely brand, customer and employee experience (see Figure 2).

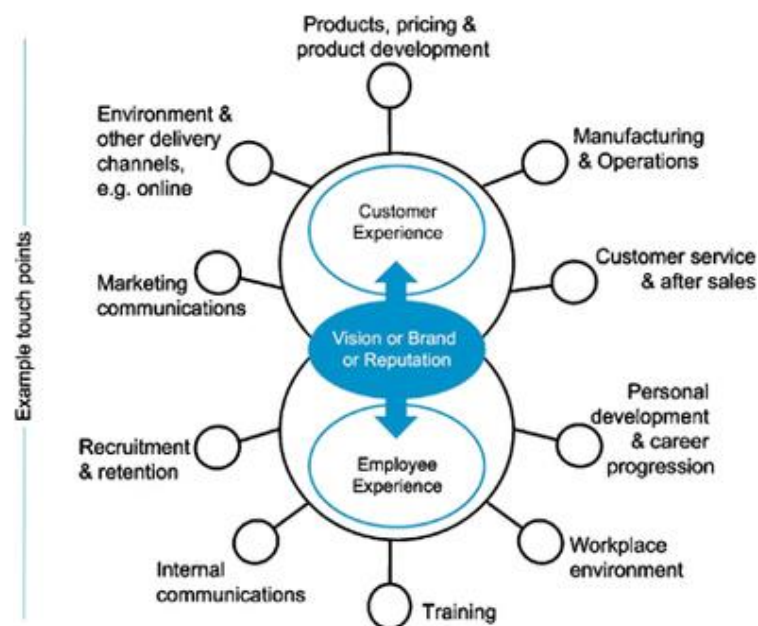


Figure 2 - The fundamental link between all aspects of experience (Ryder, 2007)

According to him, brand experience forms the bridge between customer experience and employee experience. Moreover, he contends that it is enough to subsume “product experience” under the aspect of customer experience as the experience of an individual with a product contributes to the overall customer experience. As there is an ongoing controversial discussion on the key aspects of experience management, this paper additionally seeks to evaluate which core aspects are specifically relevant for SMEs.

Considering its major features, it can be said that Qualtrics enables companies to collect customer and employee feedback on various digital touchpoints such as e-mail, text message,

social media feeds, mobile apps, IoT devices, websites and non-digital touchpoints using barcodes on invoices or banners redirecting you to a survey. The collection of this individual feedback is often referred to as experience data (X data) as it assesses the experience an individual has with a company's offering. In order to collect X data, Qualtrics offers a variety of predefined questionnaire templates which consist of more than 100 question types and features. Moreover, it detects the preferred touchpoints and time of day to increase the return ratio. Qualtrics is used by 99% of top business schools worldwide as it provides real time analytics generating insights and discovering hidden trends. It automatically analyzes data, identifies patterns and creates customized dashboards making it very usable for customers with little statistical background. Additionally, its intelligence engine iQ allows customers to make predictions, identify key drivers, analyzes text responses and uncover insights from phone conversations by using AI and machine learning.

Qualtrics is equipped with various APIs to upload operational data (O data) like sales and production figures. Thereby, it aims by using the collected X data to explain the development of your sales figures and other O data. Qualtrics can be integrated with various CRM systems in order to create more targeted sales campaigns.

Considering the pricing model, Qualtrics charges its customers upfront per amount of response. These costs per response decrease with an increasing amount of respondents purchased initially.

Being a SaaS and coming with a dedicated server, Qualtrics has low implementation costs, making it a suitable approach in particular for SMEs which are more reluctant to high implementation costs for new software solutions. Nonetheless, there is little usage of XM in SMEs so far, which will be further elaborated in the following chapter.

2.4 Small- and Medium-Sized Enterprises

In order to be classified as an SME, an organization cannot exceed specified limits which vary across countries and regions (Aga et al., 2015). Within the literature SMEs are also referred to as SMB (small and medium-sized business) or MSME (micro, small and medium-sized enterprises). According to the European Commission (2005) an SME is classified on the basis of SME thresholds, depicted in Figure 3. To be classified as micro, small or medium-sized, an organization must fall below the defined headcount limit and either the turnover or the balance sheet must be lower than the respective threshold.

Category	Staff headcount	Turnover	Balance sheet total
Medium-sized	<250	≤ €50 Mio	≤ €43 Mio
Small	<50	≤ €10 Mio	≤ €10 Mio
Micro	<10	≤ €2 Mio	≤ € 2 Mio

Figure 3 - SME thresholds (European Commission, 2005)

Within the EU there exist approximately 23 million SMEs employing around 75 million SMEs and representing more than 99% of all companies.

After analyzing the customer base which are currently using XM platforms (Qualtrics, 2019), it becomes evident that almost exclusively the world's biggest brands with more than 10.000 employees and an annual turnover beyond one billion euro have yet recognized the importance of XM platforms for their organizations. The thresholds of an SME for the present research are therefore set <10.000 for staff headcount and <€500 Mio of annual turnover or total balance sheet.

Despite an intensive literature research of XM there are to date no valid, relevant studies with a focus of XM in SMEs. Hence, this paper aims to investigate the challenges and opportunities XM can bring to the previously defined companies.

3 Methodology

In order to answer the research question, a qualitative research design using in-depth qualitative interviews was applied. It relies on field data collection and is a common method in management when it comes to developing theories. As already outlined in section 2, the research for experience management in SMEs is still in its infancy therefore an in-depth qualitative research which is an exploratory research procedure allowing a deeper understanding is considered as a suitable research approach.

3.1 Sample of the study

This research mainly focusses on data gathered in qualitative interviews. In order to ensure a reasonably representative sample, in the selection the company size of SMEs as well as companies from both the manufacturing industry and the service industry are considered. Furthermore, particular emphasis was placed on a variety of industries ranging from hospitals to hotels in the service industry and from wood processing machines to refrigeration in the manufacturing industry. The company size of the selected respondents ranges from 10 employees to 2.200 employees, with an annual turnover between 1.4 million to 420 million. In an effort to bridge the gap ten experienced industry professionals within the key industries were selected (for more detailed information about the surveyed companies see Appendix 1-10):

3.2 Structure of the study

In order to conduct the study under equal conditions, the study was designedly divided into two parts. The first part of the study explores the already existing knowledge of XM and the current practices of XM in the respective companies. Before the second part of the study was investigated, the selected XM platform „Qualtrics” and general clarification of XM was provided to ensure the same level of knowledge among respondents. In order to avoid any potential biases and prejudices, the first two issues considering the opportunities and challenges of XM platforms in SMEs were consciously formulated very broadly to give the participants

no restrictions. These open questions (see appendix 11-20) in turn facilitates the generation of unexpected findings which may have not been considered in the first instance. In the further course of the study, more specific issues were examined covering the interfaces, pricing and the four pillars employee experience, customer experience, brand experience and product experience of Qualtrics.

4 Results

The main objective of this paper is to analyze the challenges and opportunities of using XM platform Qualtrics in SMEs. Therefore, the existing knowledge of XM in SMEs was retrieved with the help of expert interviews which will be described in the following section.

4.1 Lack of knowledge of XM platforms in SMEs

The conducted survey reveals that there is an immense lack of XM in SMEs. Throughout the interviews, only one of the experienced industry professionals was already familiar with the concept of XM and used an XM platform to collect feedback of guests (R4). However, it was also discovered that the term CX is in the respondent's mind often associated with Customer Relationship Management (CRM). Two of the respondents stated that they use their CRM software to document special incidents which were encountered via phone calls or at personal meetings (R1, R3). Nevertheless, only one respondent indicated that the collected customer feedback is also used in the next step to reconsider the internal approaches in order to enhance CX. They also used simple AI solutions within their CRM tool in order to predict sales and detect new leads (R4). Another respondent stated that the feedback is collected and documented but is not taken into account for further improvements. This is because each account executive is responsible to create and edit its own clients and direct communication to the top management level is missing.

4.2 Current practice of survey tools in SMEs

As the term “Experience Management” was not familiar to the respondents, it was instead investigated whether there are internal or external surveys conducted which might initially not be associated with the term “XM”. Thereby, it was uncovered that especially the companies which employ more than 1000 employees already used several internal as well as external surveys mainly conducted with software such as google survey, surveymonkey or coyo cloud (R1, R7, R8). However, these surveys were principally conducted by interns, assigned to investigate the cooperation with the customer or the internal satisfaction within a department (R1). Those surveys were mainly conducted with freemium versions of surveymonkey or other free limited survey providers. The generated insights were mainly used for intra-departmental purposes. As the collected data in freemium versions cannot be extracted, the insights and data collection is gone once an intern and with him/her the login credentials leave the company. Another expert stated that a Master thesis is currently conducted in his company, which seeks to analyze the relationship of customer satisfaction by various factors. For this purpose, more than 4.000 clients were contacted in order to collect insights (R8). In contrary, small companies with less than 200 employees have not conducted an internal or external survey yet.

Only one of the surveyed companies established a team with a special focus on customer feedback (R9). This team consist of two employees and is the first point of contact for any user inquiries and is responsible for sending semi-annual surveys to key accounts. Their main tasks also lie in the correct distribution of the received feedback to the respective department.

Inter-divisional surveys, focusing on the entire experience of an employee with an enterprise, have not been found in any of the surveyed companies. The study even revealed that some of the respondents (R2) still used printed surveys to streamline the patient admission process. Those surveys were placed at the reception in order to be filled out, and then entered manually into an Excel sheet in order to be analyzed using simple flow charts. Printed surveys were

especially found in manufacturing companies where they are used for production staff (R1, R9). Both companies conducted a yearly survey with more than 20 questions to measure the production staff's satisfaction. Although the insights were collected and prioritized in each company and later presented to the staff, there was no active change of the criticized problems, leaving many of the employees worse off than before the conduction of the survey. This lack of action after receiving valuable feedback was also observed in other companies which focused on more preconceived internal survey (R6).

R4 is currently using the XM tool Medallia for conducting surveys after the stay of their guests. However, advanced analytical features as well as data integration of O-data in form of sales figures were not made use of yet. It is solely used for analyzing the improvement suggestions and encountered problems.

This research underlines that companies in the service industry are strongly focusing on feedback received via phone calls or onsite meetings. All the respondents from the service industry said that they place great importance on the verbally received feedback of customer as it can often be solved directly. Furthermore, helping the customer directly increases the trust of clients leading to an increased up- and cross selling potential (R5, R7).

4.3 Opportunities of using XM

Opportunities	Challenges
▪ Conduct of internal surveys	▪ Privacy issues
▪ Drive insights of foreign customer segment	▪ Lack of applicable customer data
▪ Facilitate launch of new products	▪ Direct contact is more relevant
▪ Serving a large quantity of small customers	▪ Responsibility distribution
▪ Automated analysis	▪ Traditional values dampen innovation spirit
▪ Barcode feature enables finding of valuable product experience	▪ Counter effect on satisfaction through employee monitoring
▪ Attracting new talents	▪ Poor data quality
▪ Integration of surveys on website	▪ Measurement of added value
▪ Uncover customer preferences	▪ Impractical for standardized public tenders
▪ Creation of customized surveys	▪ Inadequate pricing policy

Figure 4 - Summarized Representation Opportunities & Challenges

This research reveals a variety of opportunities and use cases XM platforms can bring to SMEs of which the most crucial ones will be illustrated in the following.

Unexpectedly, one of the most frequently mentioned opportunities for SME in using XM was the possibility to conduct **internal surveys**. In this study more than two-thirds of those polled stated that they see great benefits in using Qualtrics for internal anonymous survey. Especially among production employees a high turnover of staff was reported, which further underscored the need of anonymous surveys. However, this research points out that it is particularly important that feedback is not only collected but above all act on in order to improve the employee experience and close the loop (R9). It was also highlighted that a strong management commitment is required to enable an open feedback culture (R10).

Primarily, companies which have a growing proportion of their revenues abroad see great potential in using Qualtrics for driving insights of their **foreign customer segment**. According

to them, Qualtrics can help to firstly uncover the way international clients became aware of the company in order to determine strategies for further expansion in an international segment (R1, R2, R8).

Besides, respondents regard XM software as a major opportunity if it comes to the **launch of new products**. This is especially said to be the case if the company decides to focus on a new segment with little existing expertise. According to two respondents (R1, R9), Qualtrics can make an important contribution in better understanding the customers' preferences and current status of the new product. Furthermore, it can also help to assess the usability of customer-facing software like mobile apps or new websites (R2, R8) in order to spot potentials for improvement.

The research reveals that XM software is particularly relevant if an organization serves a **large quantity of small customers** rather than having few large key accounts (R7, R8, R9). For those companies it is practically impossible to analyze the customer experience of each client individually. An XM platform offers a solution to this problem as it enables organization to collect infinite amount of feedback of all the customers and analyze it within on one central tool. One of the interviewees (R9) stated that it is the feedback of small customers, which are in many cases more engaged with the product and its features, that is oftentimes the most useful. If it comes to significant improvement of product quality and features, it is therefore relevant to focus not only on the feedback of potent key accounts rather than small, highly engaged customers.

Another great benefit is said to be the **automated analysis** of data within Qualtrics. It was uncovered that SMEs widely lack staff with profound statistical expertise needed to run revealing advanced statistical analysis with software platforms like SPSS (R4). Qualtrics enables SMEs to run automatic regression analysis and make advanced use of AI to drive

meaningful insights. More than half of the respondents indicated that automated analysis is highly relevant for their business as they lack expertise and time to become acquainted with highly complex analytical tools.

During the investigation a suitable use case for the **barcode feature**, which redirects users to a certain survey, became apparent. Sales associates are often selling their products to central purchasing departments or a main point of contacts which are not using the machines. However, in order to gain valuable findings on the user's product experience, it is important to find a direct way to interact with technicians utilizing the machines. It was highlighted that printing the barcode directly on the product itself can help to enable a direct communication with technicians (R3, R5). Moreover, it was suggested that the survey content must have strong technical focus to acquire profound insights in product quality and features.

A further application case which does not directly deal with the end user was detected. The shortage of qualified personnel poses a great risk especially for SMEs which are not capable of competing with steadily improved working conditions and higher wages. **Attracting the right talent** therefore becomes a crucial factor for their long-term success. Qualtrics can assist in this respect **by integrating surveys** on the career tab of the company's homepage to receive perceptions of potential applicants.

All of the surveyed organizations attest the suitability of Qualtrics to **uncover customer preferences**. Especially the possibility to give anonymous feedback bears the potential that customers give more honest feedback than in a face-to-face meeting. The survey revealed that respondents see a great opportunity to determine hidden customer preferences internal staff may not be aware of. It was indicated that constructive, negative feedback can help to better understand one's business and improve the overall customer as well as product experience.

If it comes to the advantages of building a survey it becomes evident that a fundamental factor is the **creation of customized surveys** depending on specific occasions (R5), guest type (R4), customer segment and industry (R8, R9). Companies with a well-structured CRM system can make use of their existing clusters to send more user-specific surveys (R3). Personalized and adapted surveys bring the advantage of a higher response rate and the collection of more relevant data. Furthermore, the timing function allows SMEs to reach customers in times they are more likely to respond. Also, the survey verification and suggestion function can help SMEs to formulate more action and results-oriented questions and limit the amount of questions per survey (R4).

4.4 Challenges of using XM

Throughout the study nine notable challenges were identified which will be discussed in the following.

The most significant challenge facing SMEs are **privacy issues**. As already outlined in section 2.3, Qualtrics stores the collected data on their own dedicated servers, which conflict with internal privacy policy of some of the surveyed enterprises. Some of them already run their own servers to reduce the risk of external data theft (R7). Although, small companies with less than 200 employees also named privacy issues as one of their major concerns all of them agreed that running an own server is not profitable and trusting on a third-party cloud data storage provider is inevitable (R5, R6, R10). Furthermore, it was revealed that there is little knowledge what customer data companies are allowed to collect and store. Especially, the conduction of internal surveys is subjected to controversial assessment as enterprises need to comply with local labor rights. It is also shown that companies which have set up a works council in their company have more concerns if it comes to the maintenance of worker's rights (R3). The possibility to upload and integrate customer data into Qualtrics was also assessed very precariously. Notably, the

surveyed organizations from the hospital and hotel industry stated that they would not be able to integrate their sensible customer data to an external SaaS provider (R2, R4).

Another challenge in the use of Qualtrics is the **lack of applicable customer data**. Even though respondents stated that they have various contact data within a company it is mainly key contacts from the purchasing or accounting department. As these contacts are not directly using the product, the response rate as well as relevance of their feedback is expected to be low. These challenges are encountered especially in multinational key accounts which commonly have one main contact for the sales representatives.

Primarily respondents from the service industry (R5, R7, R10) stated that a **direct contact** with the customer is expected to be more useful than a digital survey. Respondents argued that issues can often be directly dealt with via phone or in person. Furthermore, it was concluded that an individual analysis of the collected feedback is time consuming and the delayed response can have negative effects on customer experience. Especially in the service sector those intended problem calls of customers can in many cases be used to strengthen the relationship with a customer and profit from cross or up-selling opportunities.

Among the biggest challenges mentioned by all respondents is the determination of a clear **responsibility distribution**. The creation, coordination and analysis of the surveys is very time intensive. This fact makes it difficult for small companies with less than 100 employees to find free capacities in order to assign someone for the new tasks (R5, R10). Apart from that, the position requires someone who has knowledge of both marketing in order to create action-oriented questions and technology in order to be able to analyze the technical feedback. Nevertheless, bigger companies also face challenges when it comes to the allocation of responsibilities. While some respondents argue that it is a marketing tool and should therefore be allocated to the marketing department (R3), other argue that it belongs to the quality

department as it measures the quality and needs technical expert capable of interpreting the feedback (R1). For internal surveys it could also make sense to allocate it to the HR department. Others argued that it should be allocated within the sales department as it measures the customer experience and can directly be used for cross and up-selling opportunities (R7). One of the companies circumvented the problem by using a different approach (R9). It therefore created a new department responsible for the reception of all customer feedback and subsequently the distribution of the feedback to the responsible departments (R9).

A further challenge lies in the corporate culture of SMEs. The surveyed SMEs were often family-owned and attach great importance in **traditional values** and rely on procedures which have worked very well in the past. It is therefore that they leave things as they were without innovating and focusing on the latest technology trends. Thus, for instance two of the respondents stated that their company is very old fashioned if it comes to the use of new marketing channels like social media (R1, R9). Convincing the top management level of the additional benefit an experience management platform could bring to their company was therefore named as one of the key challenges if it comes to the implementation of Qualtrics.

Although, the majority of companies were more open to latest technology trends, all respondents find it difficult to **measure the added value** an XM platform can bring to their company. The respondents agreed that the collection of customer feedback can help to uncover new customer preferences and thereby enhancing the product quality and offered service. Nevertheless, it was discussed controversially whether Qualtrics has the potential to effect the bottom line positively.

Besides the privacy issues the most mentioned challenge is related to the **data quality**. According to the study, more than half of the respondents believe that unstructured data bears the biggest challenge for a direct upload into Qualtrics. The high amount of incomplete

customer data makes it difficult for companies to send customized surveys. In this context, it became apparent that companies which have a structured database see greater opportunities in the use of Qualtrics than respondents with inaccurate data. Many companies stated that in order to use Qualtrics effectively it firstly requires an intense data cleaning which has been put off so far.

Especially, companies in the service industry feared that the sending of customer survey can have counter effects on **employee satisfaction**. Two respondents (R5, R7) stated even though it has great potential for companies to uncover hidden issues in their provided services, it also bears the risk that employees providing the service and sales are feeling observed and therefore leading to a decrease in employee experience. However, it was argued that if firms use it to spot missing skills of their sales and service personnel, services and employee performance can be enhanced via trainings focusing on personal and professional development.

Another a major challenge was described by companies making a great proportion of its earnings with **public tenders**. Those companies (R1, R10) stated that public tendering procedures are often very standardized and predetermined making the price the most important factor in buyers purchase decision. Hence, product, customer and brand experience are less relevant in those invitations to tender.

A considerable difficulty in the implementation of an XM platform was identified in the **pricing policy** of Qualtrics. As previously outlined in section 2.3, Qualtrics offers small companies the possibility of buying a package with a predetermined amount of responses. In this regard, all companies claimed that an accurate determination of the number of respondents is virtually impossible, bearing the risk of making an uncondusive decision upfront.

5 Discussion

5.1 Implications for theory

The usage of XM software in SMEs has been subject to little research to date. This paper contributes to managerial literature by applying a qualitative research approach to analyze the opportunities and challenges of XM software in SMEs. In this study, organizations which differ in size, industry and customer segment were selected in order to draw general conclusions across a diverse range of industries. While most studies focus solely on customer experience, this research takes product, brand and employee experience into consideration, which significantly impact the overall customer experience. Even though, Ryder (2007) already recognized the importance of brand experience as a bridge between customer and employee experience, it was found that it is recommended for organizations to assess product experience separately and not subordinating it within customer experience. Furthermore, the study revealed that product experience does not only affect CX but also the employee experience as the product quality significantly influences the sales, service and production staff. Accordingly, bad product performance leads to problems in the selling and service process and decreases the belief in own products. The research disclosed that there is a significant difference in the importance of the four pillars of experience between companies operating in the manufacturing or service industry. While manufacturing industries emphasize their importance on product experience, in the service industry product experience is only attached with little importance while the overall customer experience is gaining more significance. In terms of employee experience, it was identified that smaller companies with less than 200 employees consider internal surveys as less important due to short lines of communication.

5.2 Limitations of the study

The limitations of the study are primarily due to the selected sample and the methodology applied. Although, the sample comprises organizations across various industries and differences in size, the relatively small sample size of ten qualitative interviews only allows to make conclusions to a limited extent. Furthermore, as the interviewed SMEs are all German-based it is not possible to apply the findings on a global scale.

The qualitative research approach was primarily used as it ensures a deeper and more open understanding. However, relying only on qualitative interviews makes it difficult to make systematic comparisons as response vary widely. Additionally, as qualitative interviews only allow a smaller sample size it makes the gathered data more subjective and not statistically representative.

The underlying research focuses primarily on the XM platform provider Qualtrics. A generalization for other XM platforms cannot be made as features and offerings of XM platforms differ significantly.

Given the available limitations, it becomes evident that in order to receive more general results, it is necessary to follow a cross-national approach along with a greater sample size using several XM platforms and general XM practices.

6 Conclusion

Given the results and findings of this research, it can be stated that there is little knowledge of experience management in SMEs. However, all small businesses surveyed recognized the importance of collecting experience data, both inside and outside of an organization. It is identified that especially for companies with a high employee turnover anonymous internal surveys can help to uncover shortcomings hence reducing the loss of qualified technical employees. All companies recognize the contribution Qualtrics can make in uncovering customer preferences, in particular when it comes to entering a new product segment or the expansion of SMEs into foreign markets. For companies with a large quantity of small customers, XM platforms can help to collect unlimited amount of feedback. This is due to the fact that it is virtually impossible for those companies to analyze the CX of each client individually.

Even though, a wide range of opportunities and use cases were identified, data privacy appears to remain a major challenge within XM. First and foremost, small companies have little knowledge of data protection and what information is allowed to be captured internally and externally. It is therefore advisable to include general data protection consulting for SMEs. Another major challenge was also described in the poor data quality of SMEs raising concerns on integrating data into Qualtrics. Smaller companies are predominantly family-owned and attach great importance to traditional values and honest face-to-face feedback. Consequently, all of the respondents claimed that those old-established values raise difficulties to convince the top management on the added value an XM platform could bring to their business.

During the study the allocation of responsibility for XM is controversially discussed as it affects each department to a certain extent. The research concludes that it is recommendable to include XM within the management level as it requires an inter-divisional approach to align customer, brand, product and employee experience throughout the whole organization.

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8 Appendices

Appendix 1 - Vereinigte Sepzialmöbelfabriken GmbH & Co. KG	29
Appendix 2 - Diabetes Klinik GmbH & Co. KG	29
Appendix 3 - Michael Weinig AG	30
Appendix 4 - Ringhotels	30
Appendix 5 - Derr Kaffeeconzepte	31
Appendix 6 - Rivacold	31
Appendix 7 - Tecis Finanzdienstleistung AG	32
Appendix 8 - Granzow	32
Appendix 9 - Mafi Transport Systeme GmbH.....	33
Appendix 10 - Faul & Bethäuser GmbH & Co. KG	33
Appendix 11 - Memory Minutes - Respondent 1 - Vereinigte Sepzialmöbelfabriken GmbH & Co. KG	34
Appendix 12 - Memory Minutes - Respondent 2 – Diabetes Klinik GmbH & Co. KG	36
Appendix 13 - Memory Minutes - Respondent 3 – Michael Weinig AG	38
Appendix 14 - Memory Minutes - Respondent 4 – Ringhotels	40
Appendix 15 - Memory Minutes - Respondent 5 – Derr Kaffeeconzepte	42
Appendix 16 - Memory Minutes - Respondent 6 – Rivacold	44
Appendix 17 - Memory Minutes - Respondent 7 – Tecis Finanzdienstleistung AG	46
Appendix 18 - Memory Minutes - Respondent 8 – Granzow	48
Appendix 19 - Memory Minutes - Respondent 9 – Mafi Transport Systeme GmbH.....	50
Appendix 20 - Memory Minutes - Respondent 10 – Faul & Bethäuser GmbH & Co. KG.....	52

Appendix 1 - Vereinigte Sepzialmöbelfabriken GmbH & Co. KG



Respondent 1

Company name:	Vereinigte Spezialmöbelfabriken GmbH & Co KG
Respondents Role:	Marketing Manager
Industry:	Manufacturing Industry – Furniture Manufacturer
Headcount Staff:	1.500
Annual turnover:	240 Mio
Customer segment:	Furniture retailer, public sector, private households

Appendix 2 - Diabetes Klinik GmbH & Co. KG



Respondent 2

Company name:	Diabetes Zentrum Bad Mergentheim GmbH
Respondents Area:	Online Marketing
Industry:	Service Industry – Hospital
Headcount Staff:	350
Annual turnover:	N/A
Customer segment:	Diabetes patients

Appendix 3 - Michael Weinig AG



Respondent 3

Company name:	Michael Weinig AG
Respondents Area:	Technical Marketing Manager
Industry:	Manufacturing industry – Mechanical engineering
Headcount Staff:	2200
Annual turnover:	420 Mio
Customer segment:	Wood manufacturing

Appendix 4 - Ringhotels



Respondent 4

Company name:	Ringhotels
Respondents Area:	CEO
Industry:	Service Industry – Hotel & Gastronomy
Headcount Staff:	30
Annual turnover:	10 Mio
Customer segment:	Private customers, corporate customers

Appendix 5 - Derr Kaffeekonzepte



Respondent 5

Company name:	Kaffeekonzepte & Wasseraufbereitung
Respondents Role:	CEO
Industry:	Serve Industry – Coffee machine & water treatment
Headcount Staff:	10
Annual turnover:	1.4 Mio
Customer segment:	Restaurant, hotels, companies, bakeries, hospitals

Appendix 6 - Rivacold



Respondent 6

Company name:	Rivacold CI GmbH
Respondents Role:	Key Account Manager
Industry:	Manufacturing Industry – Refrigeration
Headcount Staff:	52
Annual turnover:	30 Mio
Customer segment:	Refrigeration plant manufacturers

Appendix 7 - Tecis Finanzdienstleistung AG



Respondent 7

Company name:	Tecis Finanzdienstleistungs AG
Respondents Role:	Account Manager
Industry:	Service Industry – Financial Advisory
Headcount Staff:	300
Annual turnover:	70 Mio
Customer segment:	Generation Y

Appendix 8 - Granzow



Respondent 8

Company name:	Ernst Granzow GmbH & Co. KG
Respondents Role:	Head Account IoT & Smart Home
Industry:	Service Industry – Electrical wholesaling
Headcount Staff:	260
Annual turnover:	120 Mio
Customer segment:	Electronics technician,

Appendix 9 - Mafi Transport Systeme GmbH



Respondent 9

Company name:	MAFI Transportsysteme GmbH
Respondents Role:	Head Technical Sales
Industry:	Manufacturing Industry – Automotive
Headcount Staff:	420
Annual turnover:	160 Mio
Customer segment:	Seaports, airports, logistic, in-company transport

Appendix 10 - Faul & Bethäuser GmbH & Co. KG



Respondent 10

Company name:	Faul & Bethäuser GmbH
Respondents Role:	CEO
Industry:	Service Industry – Industrial Construction
Headcount Staff:	45
Annual turnover:	11 Mio
Customer segment:	Companies, local government, private customer

Appendix 11 - Memory Minutes - Respondent 1 - Vereinigte Sepzialmöbelfabriken GmbH & Co. KG

Interviewer: Lorenz Derr
Location: VS GmbH & Co. KG, Am Fronbrunnen 5, Tauberbischofsheim, Germany
Date: 24.10.19
Duration: 45 min
Type of Interview: Personal Talk, German (Author's translation)

Have you heard the term XM before?	- Not heard yet but Customer Experience Management is known and is associated with CRM tool → use CRM to document special customer incidents
Have you already conducted a survey within your company (internal or external)?	<ul style="list-style-type: none"> - Surveymonkey for a cooperation survey with one of the key accounts in Sales department - Internal survey within the production → it was conducted on paper as the production staff doesn't have their own E-mail accounts neither a computer - The analysis and integration was all conducted manually by hand - Doodle survey to find the right appointment for external events of events within the company
General introduction of Qualtrics with its main features	
Do you see Benefits of using Qualtrics in your company?	<ul style="list-style-type: none"> - Facilitate the yearly production staff survey by either sending them the survey via text message on their private phones so they can do it everywhere (risk of data privacy → private phones) - Alternative plan use one of the computers in the production management office in the production hall so each production employee can conduct the survey there on Skype - Currently there is a high fluctuation within VS → use experience management pillar to conduct n anonymous surveys to enable anonymous feedback - Within Germany we have a good brand experience especially among public entities like schools and universities however out side of Germany the brand recognition is fairly low → use Qualtrics to identify how foreign clients became aware of VS and what drove their decision → increase business with foreign clients - Big benefit could be in the fairly new customer segment office furniture for enterprises → surveys after sales to analyze the quality of the furniture as well as the overall sales service
Do you see challenges of using Qualtrics in your company?	<ul style="list-style-type: none"> - Data privacy issues if survey messages are sent to the private mails or phone numbers of employees - Main clients are government which are is not directly using the bought furniture and neither lays great importance in the quality as it is not their own business → likelihood that they will participate in a survey is fairly low - A lot of orders come from public tendering → finding the right direct contact for the survey is challenging - As we run our own servers and do not use external cloud providers yet, it could be a problem that the data is stored on external databases of Qualtrics - Main contact is often within the purchasing department which very likely receive a lot of mails and surveys risk of a low response rate - VS is a long-established company still focusing on old familiar values topics as Social Media or SEO are therefore considered with misgiving → convincing the top management of the advantages XM could bring to the entire enterprise can therefore be quite difficult - Which department is responsible for the survey tool Qualtrics → Marketing, Sales, Production, HR, IT department → who finally has the ownership → maybe boss
Which of the 4 pillars are the most relevant in your company and would you add another pillar?	<ul style="list-style-type: none"> - Product Experience more relevant than customer experience → it is the quality of our furniture which sets us apart - Internally employee experience is very relevant as in the last years high fluctuations and hard to retain talent
Can XM platform with its interfaces be used to upload your o-data and analyze it together with your newly collected X-data within Qualtrics?	<ul style="list-style-type: none"> - No structured CRM data, a lot of missing data difficult to directly upload it → Data cleaning is relevant before - VS uses the SAP CRM Tool therefore the APIs work to upload the data no additional programming effort needed

<p>Do you think the previously explained pricing model (cost per respondent) is suitable for your company?</p>	<ul style="list-style-type: none"> - It will be hard especially with the public entities to estimate the amount of respondents needed therefore it would be easier to have a “Buy as you go” offer in which you can profit from scalability - However, as you can profit from Economies of scale if you purchase larger quantities I would to a certain extent feel unfairly treated as I can not buy as large quantities as a multinational enterprise
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Appendix 12 - Memory Minutes - Respondent 2 – Diabetes Klinik GmbH & Co. KG

Interviewer: Lorenz Derr
Location: Diabetes Klinik GmbH & Co. KG, Theodor-Klotzbücher-Straße 12, Bad Mergentheim, Germany
Date: 30.10.19
Duration: 1h
Type of Interview: Personal Talk, German (Author's translation)

Have you heard the term XM before?	<ul style="list-style-type: none"> - The term "experience management" is not know
Have you already conducted a survey within your company (internal or external)?	<ul style="list-style-type: none"> - There has been one external survey conducted within the Diabetes Klinik - One survey which was conducted recently in order to review the patient admission process → goal of the survey was to streamline the process starting with the first contact and the appointment creation over the necessary submission of relevant documents until the final stay of the patient at the hospital → time at reception, waiting time, filling out the necessary documents about previous illnesses etc., actual treatment → follow-up calls/ meetings - Survey was conducted by placing out printed survey on reception which could be answered handwritten by patients and should be given back at the end of the stay - The integration of the responses as well as the analysis was done manually via Excel
General introduction of Qualtrics with its main features	
Do you see Benefits of using Qualtrics in your company?	<ul style="list-style-type: none"> - Instead of using it only as a survey tool it is considerable to use it as a digital tool to digitalize the on-site admission process which is so far conducted handwritten (with documentation of previous illnesses etc.) instead of doing it handwritten one can use its own smart phone or provided tablet - E-mail customers to receive general feedback and give them possibility for anonymous complaints about treatment - New pilot app is planned to be launched containing location plan, schedule and contact details → Qualtrics survey tool can be used after using the App to measure the experience of a patient with the application - Detailed structured database of customer data is available which can be partially be analyzed by using Qualtrics automated analyzation tools → careful with personal information - A lot of international customers coming from Saudi Arabia and middle east because of the good recognition of the diabetes clinic → especially for foreigner and far off customers survey to measure the "brand experience" and why they consider the diabetes clinic indifferent of such a long journey → very important customer segment retain and expand this segment - Marketing is currently done by an external consultant → could be entitled to use Qualtrics platform to measure customer experience and report it to top level
Do you see challenges of using Qualtrics in your company?	<ul style="list-style-type: none"> - Especially with analyzation of databases it is important to consider data restriction rules as they are very strong for individual health related data - Data privacy in general → which data am I actually allowed to use of my customer and what am I allowed to ask a patient - In case will be used for the admission process how can data be integrated in hospital database as it is a special database for hospitals → problems with APIs - Also uploading the patient data to an external database for analyzation purposes must be reviewed with the specific data privacy laws in the hospital sector
Which of the 4 pillars are the most relevant in your company and would you add another pillar?	<ul style="list-style-type: none"> - Product Experience not relevant as there is no physical product → service can be subsumed under customer experience - Brand experience and Customer experience very relevant - Maybe as said not only using the software for measuring but also as an input tool for admission process → new pillar?
Do you think the previously	<ul style="list-style-type: none"> - Hard to evaluate how many respondents are actually needed → therefore hard to decide how big the needed package (amount of respondents) should be

explained pricing model (cost per respondent) is suitable for your company?	<ul style="list-style-type: none"> - The amount of clients per year is more or less predetermined however it is difficult to say how many will participate and how many responses are actually needed → rather buy a flexible package in which you can upscale/ downscale in case you need
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Appendix 13 - Memory Minutes - Respondent 3 – Michael Weinig AG

Interviewer: Lorenz Derr
Location: Michael Weinig AG, Weinigstraße 2, 97941 Tauberbischofsheim, Germany
Date: 04.11.19
Duration: 45 min
Type of Interview: Personal Talk, German (Author's translation)

Have you heard the term XM before?	<ul style="list-style-type: none"> - Experience Management heard before but more connected with CRM software → Use Salesforce to document relevant data of clients
Have you already conducted a survey within your company (internal or external)?	<ul style="list-style-type: none"> - We have 2 licenses of SurveyMonkey currently with which we conducted recently a customer survey of our main focus area in solid wood processing → survey for the wood material segment an especially small-scale craft production firms is currently planned - Survey was mainly limited to trade fair presence and insight were used in order to enhance the exhibition appearance - The main responsibility for the licenses lies in our apartment (Technical Marketing) → HR approaches us if they want to conduct an internal survey - We make a big use of our CRM tool Salesforce to drive customer insights → using simple AI algorithms to predict sales and detect new lead opportunities - The data quality is fairly high and the database very big as Salesforce is solely cloud based and sales executives can enter their client data from everywhere within seconds
General introduction of Qualtrics with its main features	
Do you see Benefits of using Qualtrics in your company?	<ul style="list-style-type: none"> - Important to connect collected X data with the type of machine the specific client actually has in order to receive better insights about the quality of the different machines produced → idea Barcode on machines for technicians - Helpful for internal and external survey and store all in one central place - APIs with Salesforce enable an easy import and export of data - Sent customized surveys for the different segments (solid wood processing and wood material segment) → further subdivide in large industrial enterprises and small-scale craftsmen → already existing clusters within Salesforce CRM tool can be used - Use AI features to make more predictive analytics
Do you see challenges of using Qualtrics in your company?	<ul style="list-style-type: none"> - Besides the responsibility in which department the software should be it is especially important to have an experienced professional able to analyze and generate insights from the feedback as it is supposed to be very technical → marketing department not capable of understanding deep technical issues - Internal survey needs to be aware of data laws on what is allowed to ask my employees - Angry customers use it as a channel not for relevant feedback but for airing their frustration about the company → narrow ridge between constructive criticism and anger - Satisfied customers are less likely to participate in a survey → mainly mouthpiece for unsatisfied angry customers - Especially for internal survey it is important to consider that the majority of production staff do not have an internal E-mail account → Sending surveys via text messages to private accounts or phone numbers is tricky as it is frowned upon by the works council - Currently holding two licenses of SurveyMonkey → present the added value of using Qualtrics will be difficult - Salesforce currently used with AI features as well as advanced analytics to analyze sales figures → Qualtrics features to analyze O data redundant
Which of the 4 pillars are the most relevant in your company and would you add another pillar?	<ul style="list-style-type: none"> - All pillars equally relevant - Product Experience → quality of our delivered products is key in the crafts business - Customer Experience → 90% established customers → customer loyalty and retention is key → "First machine is sold by Sales department and further machines by service department"

	<ul style="list-style-type: none"> - Brand Experience → Weinig enjoys a big brand awareness in the wood manufacturing industry, it stands for long-term partnership with clients - Employee Experience → especially be of use in production line to measure the employee satisfaction and reasons for change
Do you think the previously explained pricing model (cost per respondent) is suitable for your company?	<ul style="list-style-type: none"> - Buy as you go option would be easier to convince the top management as it can be started with a small pilot project → Releasing budgets is easier if there are already some practical used cases
Would you expect any data privacy issues as data is located on Qualtrics server and not your own servers?	<ul style="list-style-type: none"> - Relying on Salesforce which server is in Frankfurt → big discussion if use of SurveyMonkey complies with company privacy standards as the server is located in USA - Important for Weinig is that the Cloud / SaaS provider complies with German data privacy law and in the best case the server is located in Germany → running our own servers is up to now not be seen as efficient

Appendix 14 - Memory Minutes - Respondent 4 – Ringhotels

Interviewer: Lorenz Derr
Location: Ringhotels, Milchlingstraße 24, 97980 Bad Mergentheim, Germany
Date: 30.10.19
Duration: 1h
Type of Interview: Personal Talk, German (Author's translation)

Have you heard the term XM before?	<ul style="list-style-type: none"> - Customer Experience (German word: "Kundenzufriedenheitsumfrage") importance is increasing in the total hotel industry → measuring the customer satisfaction of ones stay is especially in a service industry like hotel industry key for customer loyalty - We are currently conducting survey with a software tool called "Medallia" to measure customer experience → term Experience Management is known yes - Dissatisfied customers can be on one side a good source to uncover spots for improvement and if you deal with their issues openly and honestly they are more likely to be turned around as satisfied customers in the end - If you do not deal with their issues it will especially in small regional hotels lead to a bad word of mouth
Have you already conducted a survey within your company (internal or external)?	<ul style="list-style-type: none"> - Started conducting surveys on paper in 2008 on paper placed on the tables in the rooms to analyze the experience considering factors like cleanliness, service, room interior design, equipment, food, wellness offer, activity offer and spa area - 2016 started with follow up E-mails after the stay of the clients to investigate customers overall experience → using software tool Medallia which is a well known survey tool in the hotel industry big players like Hilton relying on it - Internal survey with employees has not been conducted yet
General introduction of Qualtrics with its main features	
Do you see Benefits of using Qualtrics in your company?	<ul style="list-style-type: none"> - Easy analysis of X data as there is little background of statistics required (SPSS knowledge) → especially in analysis the customers preferences and backgrounds → very useful especially for open questions to spot the most mentioned words as an example a lot of our clients especially business clients wanted a breakfast which starts earlier than 7:30 which was uncovered with this software - Mainly used for CX after the stay of the client → using it internal to uncover employee satisfaction I was not aware before but is definitely a nice feature - Suggestions function very handy as it helps to create more result-oriented questions - Regression features are not used yet mainly to uncover hidden issues which we were not aware before → regression feature can be used to actually measure the correlation of satisfaction to business vs private customers or other characteristics - Exists detailed data about clients as it is required by law to scan the ID of the clients age, location and other information are therefore existing and can be used for analysis (if allowed) - Idea on how to use it beside the customer is: it could be used to attract new talents on career tab use interactive direct surveys to uncover needs and requirements of applicants and why they maybe did not to choose Ringhotel as their future employer - Measuring CX in hotels is key no matter which size they have if they want to survive in the long run
Do you see challenges of using Qualtrics in your company?	<ul style="list-style-type: none"> - Need first talk to an expert to inform myself what complies with German data law → this is for internal surveys on what is allowed to ask my employees and especially external what data am I allowed to store from my hotel guests - Actual analysis is not as deep as it could be just key findings are collected → Medallia doesn't offer that many automated analysis features - Low response rate as mailing is often sent with too much delay → automated function to sent an E-mail 5h after guest left hotel could be useful - Difficult to determine the amount of questions to on one side not bore the customer but on the other side receive valuable answers - Especially retirees do not have an E-mail address or smart phone to scan the barcode on their bill

	<ul style="list-style-type: none"> - Only E-mail available if customer booked only often clients just book a room via phone call - Response rate of business clients is higher than of private clients → maybe use different survey for business clients
Which of the 4 pillars are the most relevant in your company and would you add another pillar?	<ul style="list-style-type: none"> - Definitely CX as it is all about how the customer is feeling during his stay in our hotel → Product Experience is less relevant as it is all about the service and the atmosphere which is interpreted very subjectively - Employee experience received before little attention but especially to measure the satisfaction of service staff can be of great importance to deliver a good CX - Brand experience is less important on a local sector than positive word of mouth
Can XM platform with its interfaces be used to upload your o-data and analyze it together with your newly collected X-data within Qualtrics?	<ul style="list-style-type: none"> - Until now O data in terms of sales were not uploaded or at least X data used to explain O data but I will be trying to connect it more - However, I believe that as X data is more broad is less useful to explain the actual sales figures → more to discover issues we were not aware of than actual reasons for peaks → but the questions could be adapted to uncover more the reasons of peaks and lows in demand
Do you think the previously explained pricing model (cost per respondent) is suitable for your company?	<ul style="list-style-type: none"> - It was also hard for us to make a decision on the amount of respondents required but you have the opportunity to upscale your amount of respondents for fairly low costs
Would you expect any data privacy issues as data is located on Qualtrics server and not your own servers?	<ul style="list-style-type: none"> - Still not 100% sure which data can actually be stored and used for analysis especially if it comes to internal survey → a meeting with a data privacy lawyer to provide clarification

Appendix 15 - Memory Minutes - Respondent 5 – Derr Kaffeekonzepte

Interviewer: Lorenz Derr
Location: Derr Kaffeekonzepte I-Park Tauberfranken 7, 97922 Lauda-Königshofen, Germany
Date: 30.10.19
Duration: 1h
Type of Interview: Personal Talk, German (Author's translation)

Have you heard the term XM before?	<ul style="list-style-type: none"> - It can be derived from the name that is something about measuring experience of customers but term and especially Qualtrics was not known before
Have you already conducted a survey within your company (internal or external)?	<ul style="list-style-type: none"> - Face to face survey with a big client who purchases a big amount of coffee machines → aim of the survey was to discover features which are needed → survey was later documented with Excel priority table was identified in provide the the customer a customized offer
General introduction of Qualtrics with its main features	
Do you see Benefits of using Qualtrics in your company?	<ul style="list-style-type: none"> - It helps to take into consideration customers preferences → special case would be the requirement of weekend service and the willingness to spend more for that - Personalized E-mail after installment or repair service of machines → must be adapted to the specific occasion (coffee delivery, repair, installment, sales meeting, etc.) → it would be advisable to create several questionnaires for each service individually and send an E-mail to the client after successful completion of the service - As it is impossible to oversee the service each service technician provides it can be useful to measure an individual's performance and discover whether and employee needs further trainings (→ important not using it for surveillance of employees more to enhance the service) - Internal it could be used as an anonymous way for employees to give feedback without fearing to get penalized by their feedback → more honest feedback of leadership and overall company situation - Instead of sending it directly after the service (as it is a lot of additional effort to pick out each client every day) it could be useful to send the E-mail together with the invoice for the customer as a lot of invoices are already sent via mail - Customer data consisting of device number contact details, amount of sales with a customer in a given year with which product and service can be exported in excel and then be uploaded to Qualtrics in order to analyze it and connect it with collected data through surveys - Barcodes can be printed directly on Coffee machines to allow clients an easier way to reach the surveys
Do you see challenges of using Qualtrics in your company?	<ul style="list-style-type: none"> - Can lead to concerns of employees which can feel observed if their individual service is surveyed - Who coordinates the sending of surveys and when should it be sent directly after service or together with invoices - E-mails of contacts in database is often the manager or purchasing department therefore risk of having a low response rate or impractical responses as contact may not directly use the product or was in direct contact with service technician - Employee experience is less relevant maybe for one general anonymous survey, however company is too small to use it for weekly interaction - Unstructured operational data and difficult to cluster a repair service as it can not be standardized → mainly useful for sales development but difficult for evaluation of repair service data - Difficult to estimate the added value as direct contact with customer who is actually using the machine (waiter, service personal, etc.) often generates more insights than a standardized survey - No CRM tool existing → therefore data must first be exported to excel and then in order to be uploaded to Qualtrics

	<ul style="list-style-type: none"> - Lexware is currently used for Invoices which makes it difficult to create standardized clusters to analyze data
Which of the 4 pillars are the most relevant in your company and would you add another pillar?	<ul style="list-style-type: none"> - Product Experience is very important for the customer experience as they want a machine which provides a high degree of quality, however especially in the service sector with a strong focus on sales and repair it significantly affects the employee experience as mal functioning products decrease the satisfaction of employees as they are not convince by the products they are selling or repairing - Employee experience is less relevant → could be used as said before for anonymous survey ones a year but is less likely to be used internally as there is a daily direct contact of each employee - Especially in the service sector customer satisfaction is key therefore it is important to receive valuable customer feedback - Brand recognition (brand experience) is less relevant for regional companies which mainly live from their word of mouth in the specific region rather than a recognized brand
Can XM platform with its interfaces be used to upload your o-data and analyze it together with your newly collected X-data within Qualtrics?	<ul style="list-style-type: none"> - In order to upload the sales data it must firstly be exported from Lexware to Excel to then structure and cluster it, after completing this the data can be uploaded in Qualtrics to be analyzed - Same applies for customer data which is currently stored in Microsoft Outlook → it is therefore required to firstly export the data into excel as there is no direct API from Outlook to Qualtrics
Do you think the previously explained pricing model (cost per respondent) is suitable for your company?	<ul style="list-style-type: none"> - For small companies it is difficult to estimate the amount of responses bearing the risk that a way to big (expensive) package will be bought → the freemium version with 100 respondents will be used in order to assess the suitability of Qualtrics for our company
Would you expect any data privacy issues as data is located on Qualtrics server and not your own servers?	<ul style="list-style-type: none"> - Therefore I have two opinions one is private and one is businesswise - Private: Try to store as little private data as possible online as it is for someone with little knowledge in software engineering difficult to assess to what exten the server provider has access to my stored data - Businesswise: For SME it is unavoidable to make use of a cloud provider

Appendix 16 - Memory Minutes - Respondent 6 – Rivacold

Interviewer: Lorenz Derr
Location: Diabetes Klinik GmbH & Co. KG, Theodor-Klotzbücher-Straße 12, Bad Mergentheim, Germany
Date: 06.11.19
Duration: 1h
Type of Interview: Personal Talk, German (Author's translation)

Have you heard the term XM before?	- Not yet known within the company
Have you already conducted a survey within your company (internal or external)?	- The management conducted a preconceived survey for employee satisfaction which every employee had to participate anonymously → neither the key finding nor any results were presented after the survey was conducted
General introduction of Qualtrics with its main features	
Do you see Benefits of using Qualtrics in your company?	<ul style="list-style-type: none"> - Rivacold clients can be mainly splitted in two parts: <ul style="list-style-type: none"> o Projectmanagement for multinational companies like Lidl → almost daily contact with client → less useful to use survey as there is already the direct interaction o Small manufacturers for refrigeration plants → as Rivacold is rather small hard to overlook each customer individually with its preferences and challenges at the end of the year the yearly turnover with those clients is assessed but not much interaction during the whole year → Qualtrics can help to discover key findings with all these small manufactureres - Sales is divided by postal code and sales is lower in east eventhough a lot of refrigeration manufacturers are located in the east → uncover reasons for that sales difference between east and weste - As there are E-mails of both the finance department and the production lines it is rather useful to send the link to the product line one or two month after sending our refrigeration parts to receive valuable feedback and get a higher response rate → including a link with the invoice which goes to the finance department is less likely to result in a high response rate - Currently implementation of an entire company cloud → in this connection including another SAAS tool could be the right timing - Sales figures exist in a structured and uniform way can be uploaded and used for sales analysis especially for small manufacturer segment to spot hidden champions
Do you see challenges of using Qualtrics in your company?	<ul style="list-style-type: none"> - Responsibility? → who is actually responsible marketing department, sales executives, or technicians as for them is the feedback → difficult to decides as it affects all three - Save customer data on external database is doubtful and can lead to problem in respective to the basic data regulation laws - Evaluating the investment does it actually brings an added value - Less relevant for big key accounts → anyway steady interaction if something is not going well - Difficult to convince technicians about new technology → lazy to implement new software for customer experience improvement - Internal surveys less relevant as there are a lot of private events and after work come together in which each problem can be addressed in a face to face discussion - Also very close collaboration with parent company → no need for internal survey with parent company needed → very good communication with headquarter in Italy

Which of the 4 pillars are the most relevant in your company and would you add another pillar?	<ul style="list-style-type: none"> - Employee experience less relevant → small company with short communication channels and a familiar atmosphere - Brand less relevant than actual features and quality (product experience) - CX very relevant as the collaboration, on time delivery and close collaboration is very important
Can XM platform with its interfaces be used to upload your o-data and analyze it together with your newly collected X-data within Qualtrics?	<ul style="list-style-type: none"> - Internal ERP system lists all turnovers with each client, however no analyze features in system → Qualtrics can be useful for analysis - Also customer data can be directly found within the ERP → mail exchange are not documented neither calls or inquiries
Do you think the previously explained pricing model (cost per respondent) is suitable for your company?	<ul style="list-style-type: none"> - Difficult to assess amount of responses which are actually needed → technicians are less likely to send out surveys must be someone in the marketing department however there must be a close communication between technicians and marketing to ensure an appropriate customized survey design
Would you expect any data privacy issues as data is located on Qualtrics server and not your own servers?	<ul style="list-style-type: none"> - It is not affordable to run our own servers, there is no other way of trusting in an external cloud provider for SMEs - As before mentioned Cloud is currently implemented therefore trusting on an external database is definitely existing

Appendix 17 - Memory Minutes - Respondent 7 – Tecis Finanzdienstleistung AG

Interviewer: Lorenz Derr
Location: Tecis Finanzdienstleistung AG, Brunnenstraße 128, 13355 Berlin, Germany
Date: 12.11.19
Duration: 1h
Type of Interview: Personal Talk, German (Author's translation)

Have you heard the term XM before?	- Not know
Have you already conducted a survey within your company (internal or external)?	<ul style="list-style-type: none"> - The main surveys we are conducting are follow up calls via call as it is a good opportunity for cross- or upselling and also to receive feedback of clients regretting their decision and why - As Tecis is splitted in various locations and me and my team work as an freelance financial advisor only using the software and product portfolio with negotiated rates → there are internal surveys conducted on how inter company meetings are perceived - Customers also have the opportunity to conduct surveys via our own app → to measure the satisfaction after the conclusion of contract - Some surveys are conducted with google survey
General introduction of Qualtrics with its main features	
Do you see Benefits of using Qualtrics in your company?	<ul style="list-style-type: none"> - Our aim is to continuously develop and increase our customer's satisfaction → most important investment as we do not spend money for advertising in comparison to other big german financial advisories - It is important that is a software for whole Tecis not each freelancer separately as it is impossible to analyze the responses of thousands of clients manually - As we are a financial planner and advisor we have a lot of customer information (job, age, family situation, savings, etc.) which can be used for regression analysis to link certain facts with customer satisfaction - Very young customer segment focusing a lot on new technology trends as target group characterized by a high affinity in comparison to older generations → likelihood that they are participating in an engaging survey is higher - Set up a more general survey to uncover main market trends and difference maybe within Germany to customize offer (difference North-South) - Especially after new customer acquisition to get more insights about how he learnt from us and how happy he is with his advisor
Do you see challenges of using Qualtrics in your company?	<ul style="list-style-type: none"> - Internal software already provides analysis feature for sales figures, for detailed analysis internal controlling department provides service with various dashboards - We store everything on our own servers and are therefore very concern about our data privacy - Especially customer data is several times encrypted and is therefore less likely to be used on external cloud or SaaS provider → was not even allowed to save your customer data on your phone - Responsibility must be enterprise wide not each branch separately → difficult to send customized and good timed surveys - Important to provide a customized survey which is more engaging for clients - Building trust and relationship with clients is in the financial advisory sector of great importance → phone calls are more suitable to directly solve mentioned issues and problems
Which of the 4 pillars are the most relevant in your company and would you add another pillar?	<ul style="list-style-type: none"> - Product Experience → must be collected mainly internal to make decision on which products to add exclude from product portfolio → each advisor has his own market knowledge which can be relevant to determine the right product portfolio - Employee experience is already covered with current survey via google survey - Trust and feeling with advisor is more important than the brand → trust and word of mouth is our strength -
Can XM platform with its interfaces	- Analysis is possible within current software for special analysis Controlling department provides several dashboards and analyzing methods

be used to upload your o-data and analyze it together with your newly collected X-data within Qualtrics?	
Do you think the previously explained pricing model (cost per respondent) is suitable for your company?	<ul style="list-style-type: none"> - Employee experience already covered with existing surveys - But to measure the overall customer satisfaction , company-wide over each branch it makes sense to trust on an XM platform → amount of respondents is difficult to estimate, however large number should be negotiated to enable possibility to collect feedback from each clients at least 3 times a year
Would you expect any data privacy issues as data is located on Qualtrics server and not your own servers?	<ul style="list-style-type: none"> - Data privacy has high priority for Tencis especially if it comes to customer data - Storing the data on external servers can lead to problems with the internal rules set and controlled by the internal IT department

Appendix 18 - Memory Minutes - Respondent 8 – Granzow

Interviewer: Lorenz Derr
Location: Ernst Granzow GmbH & Co. KG, Hertichstraße 27, 71229 Leonberg, Germany
Date: 13.11.19
Duration: 1h
Type of Interview: Personal Talk, German (Author's translation)

Have you heard the term XM before?	- Not know
Have you already conducted a survey within your company (internal or external)?	<ul style="list-style-type: none"> - Recent introduction of social intranet collaboration software Coyo cloud which is like an internal facebook → is currently used by the HR department to conduct surveys (survey whether to include service bicycles in the offer of Granzow) - We currently conducting a customer satisfaction survey with survey monkey which is limited to 4.000 respondents → Survey was distributed in three ways: <ul style="list-style-type: none"> o E-mail Link redirecting you to the survey o Flyer with a QR code which brings you to the survey o Sales representatives must at least get 10 responses of their clients onsite - Main topics of the survey were: customer satisfaction with: company, sales representatives, services, online shop and training courses - Simple analysis with surveymonkey to uncover the thriving regions - The survey further figured out that the company with its website is not considered as innovative - The response rate of the survey was around 400 clients of approximately 4000 contacted (10% response rate → very high for an external survey)
General introduction of Qualtrics with its main features	
Do you see Benefits of using Qualtrics in your company?	<ul style="list-style-type: none"> - We have a lot of small customers (7.000 clients) → used to analyze customer satisfaction and also for more personalized surveys for certain target groups, not like the current survey which seeks to investigate the general customer satisfaction - Add a customized survey to the website in order to assess the usability of the new website layout - Especially our foreign transaction have increased in recent years therefore conducting an international (English) survey to discover reasons for this increase will be very useful - New head of marketing which has previous start up experience and is challenging the current old fashioned status quo in our company is very open to new topics like social media → can be a chance of introducing XM software - Well structured customer database can be directly integrated in Qualtrics - We discovered that the timing it is very relevant. Surveys we sent during the day were less likely to be answered by the electricians as they are on their projects then at the evening after their work → Qualtrics with its feature to set a time on when to send a survey is very handy
Do you see challenges of using Qualtrics in your company?	<ul style="list-style-type: none"> - Alone in this year we had 5-6 data security occasions which were inspected by our EDP team → problematic topics regarding storage of data on external clouds and devices → storing X data on Qualtrics external server must therefore be discussed thoroughly - Especially internal surveys (Employee Experience pillar) is already covered with the new introduction of Coyo Cloud → however no anonymous feedback possible as everyone logs in with his own account - As the combination of surveymonkey and Coyo cloud is already implemented hard to convince management level of introducing a new higher priced software
Which of the 4 pillars are the most relevant in your company and would you add another pillar?	<ul style="list-style-type: none"> - As we are a retailer the product experience is less important as it can only be used to adjust the product portfolio → no in-house production - Having well known brands of manufacturers in our portfolio (like MDT electrical) is more important than the actual brand recognition of Granzow - Customer experience is the most important as it is relevant to send more customized surveys and also generate insights of our foreign customer segment

<p>Can XM platform with its interfaces be used to upload your o-data and analyze it together with your newly collected X-data within Qualtrics?</p>	<p>- Revenue can already be presented with various charts and filters → uploading O data to Qualtrics is also less relevant</p>
<p>Do you think the previously explained pricing model (cost per respondent) is suitable for your company?</p>	<p>- Pricing model is similar to already in use surveymonkey software → an approximate estimation of amount of responses is feasible therefore I see it as an appropriate pricing model</p>

Appendix 19 - Memory Minutes - Respondent 9 – Mafi Transport Systeme GmbH

Interviewer: Lorenz Derr
Location: Mafi GmbH, Hochhäuser Str. 18, 97941 Taubertshausen, Germany
Date: 18.11.19
Duration: 1h
Type of Interview: Personal Talk, German (Author's translation)

Have you heard the term XM before?	<ul style="list-style-type: none"> - No - But customer experience I have heard in context of our service team (2 colleagues with a focus on customer concerns)
Have you already conducted a survey within your company (internal or external)?	<ul style="list-style-type: none"> - 2 years ago every employee received a 10 pages survey per post which covered various topics like: overall satisfaction with company, department, colleagues, management, working conditions → in the next steps the key findings and challenges were presented in an inter-divisional presentation → however key findings were not addressed and dealt with - Big key accounts like logistic companies (UPS) airlines, airports, sea ports and shipyards receive semi-annual cooperation surveys - Survey is sent via mail to clients and is analysed by two colleagues in the service department which deal with customer concerns and report directly to the quality department as well as field engineers
General introduction of Qualtrics with its main features	
Do you see Benefits of using Qualtrics in your company?	<ul style="list-style-type: none"> - We have a lot of clients for in-house transport which maximum order one or two customized trucks → their individual feedback is very beneficial → further it is the aim of the company to target besides big ports also especially the in-house transport segment → Qualtrics can be used to discover hidden needs for in-house transport and certain features enterprises are searching for - Especially the opportunity to conduct internal surveys can be of big importance as there is currently high fluctuation especially in the production plant → important is it to not only collect and analyze the feedback but also act on it - Tool to analyze the general feedback is very lucrative → currently merely the negative feedback and complaints is dealt with by the service team → positive feedback and things which already work well is not taken into consideration for further advancement or stronger focus on that - Qualtrics feature with heatmaps can be very useful as we currently observe a shift to more international clients - Structured data for big clients with various e-mail addresses in the CRM system can be directly uploaded - New E-mobility segment is very well received by Chinese customers → as it is still in its infancy it is important to measure the quality of certain features which differ significantly in comparison to the current models
Do you see challenges of using Qualtrics in your company?	<ul style="list-style-type: none"> - Past the feedback was considered but things did not change → risk of an increase in employee frustration - Old fashioned company not recognize the added value of emerging technologies → uphold old traditional values and routines - Company rather focus on technical quality and additional features rather than marketing campaigns or budget → brand is known within key customers like airports, logistic companies or sea ports - Small client data is poorly maintained → need to be structured and cleaned first to be ready for user surveys
Which of the 4 pillars are the most relevant in your company and would you add another pillar?	<ul style="list-style-type: none"> - Employee experience highly relevant due to the high internal fluctuation - Industrial vehicles main importance lays on quality of vehicles in stress situations → product experience is considered as more relevant than customer experience - Brand is well known in main target segment → word for loading and unloading of freight is called "Mafi" by the sea- airport employees → especially in in-house transportation brand Mafi is not known yet
Can XM platform with its interfaces be used to upload	<ul style="list-style-type: none"> - Data is stored in Citrix system and can be exported to Excel and easily uploaded to Qualtrics and be analyzed there

your o-data and analyze it together with your newly collected X-data within Qualtrics?	
Do you think the previously explained pricing model (cost per respondent) is suitable for your company?	- Current service department is already conducting surveys is fairly easy to estimate the amount of respondents, however to convince the top level it is advisable to start with a test version
Would you expect any data privacy issues as data is located on Qualtrics server and not your own servers?	- Data privacy so far receives little attention → each employee can access whole customer and production data → do not see a problem if it comes to data privacy rather the conviction of the executive board will be a problem

Appendix 20 - Memory Minutes - Respondent 10 – Faul & Bethäuser GmbH & Co. KG

Interviewer: Lorenz Derr
Location: Faul & Bethäuser GmbH & Co. KG, Josef-Schmitt-Str. 20 97922 Lauda-Königshofen
Date: 21.11.19
Duration: 1h
Type of Interview: Personal Talk, German (Author's translation)

Have you heard the term XM before?	- Not known
Have you already conducted a survey within your company (internal or external)?	- No survey conducted yet but since change of the management aim to communicate more openly within the company and especially receive insights from construction worker
General introduction of Qualtrics with its main features	
Do you see Benefits of using Qualtrics in your company?	<ul style="list-style-type: none"> - Ideal to evaluate the whole appearance at the customer including sales and project alignment meetings, construction management, quality of construction work, employee appearance - Give customer opportunity for anonymous feedback to get insights you would maybe not get face to face - Conduct internal survey via SMS or Mail to collect anonymous feedback of employees to understand more about the leadership behavior of construction supervisor direct on site → also get insight of what goes well and what needs improvement within the company - 60-70% of individual construction projects for local government is without public tendering → experts within the local government distributing the projects and are able to evaluate the quality of construction work → direct mail to get insights on construction quality - Use to uncover positive feedback and use it as role model or best practice case for the website to show the variety of projects offered by Faul & Bethäuser - 200-300 different offers for public tenderings are sent within a year use Qualtrics to drive insights which offers are won and why (region, branches, customer segment, size of offer etc.) → example residential building way less successful than industry construction figure out why
Do you see challenges of using Qualtrics in your company?	<ul style="list-style-type: none"> - Hard for recipients to evaluate the construction quality is often taken for granted only severe mistake will be taken into considerations → it is easier for us to evaluate our final work than for the customer → in case we have done a mistake we would easier taking notice of that than the actual customer → therefore customer experience whole planning, managing and conducting of the project becomes more important - Most important factor is the price → quality is taken for granted especially if it comes to public tendering - Responsibility → small company therefore hard to find someone investing time to built questionnaires and sent out the surveys - Construction industry in Germany is characterized by a very direct communication is it even needed to send anonymous surveys - How high is the actual response rate especially surveys with public entities or big companies - Unstructured customer data not in one common database each sales representative has its own contacts → first need for a creation of a common customer database - Same is for sales data → deals are often just archived with the offer and invoice in a folder → no document were all sales data is coming together
Which of the 4 pillars are the most relevant in your company and would	- Construction quality (product experience) is taken for granted it is rather the customer experience which can help a company in the construction sector to set you apart

you add another pillar?	<ul style="list-style-type: none"> - Even though, it is locally oriented the brand plays an important role if it comes to public tendering → measuring the brand experience and word of mouth effects is perceived as very relevant - New management wants a more employee centric approach, therefore anonymous surveys with all employees is a crucial tool
Can XM platform with its interfaces be used to upload your o-data and analyze it together with your newly collected X-data within Qualtrics?	<ul style="list-style-type: none"> - As mentioned before very unstructured data → first need to create a common file for customer and sales data in order to integrate it in Qualtrics
Would you expect any data privacy issues as data is located on Qualtrics server and not your own servers?	<ul style="list-style-type: none"> - Not yet a topic within the company as it is a very small company only relying on an internal small server for data sharing → no cloud neither data privacy issues yet well considered within the company → however using cloud especially to work remotely is considered while fear of data and intellectual property theft is little